

GREENWELL SPRINGS – AIRLINE ECONOMIC DEVELOPMENT DISTRICT
Baton Rouge, Louisiana

Annual Financial Report

As of and for the Year Ended
December 31, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date _____

AUG 15 2012

DONALD C. De VILLE
Certified Public Accountant
7829 Bluebonnet Boulevard
Baton Rouge, Louisiana 70810

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
New Roads, LOUISIANA

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Certified Public Accountant



Donald C. DeVille

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ACCOUNTANT'S COMPILATION REPORT

May 17, 2012

Board of Commissioners
Greenwell Springs – Airline Economic Development District
Baton Rouge, Louisiana

I have compiled the accompanying financial statements of the governmental activities Greenwell Springs - Airline Economic Development District, Baton Rouge, Louisiana, as of and for the year ended December 31, 2011, which collectively comprise the Greenwell Springs - Airline Economic Development District's basic financial statements as listed in the table of contents. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Greenwell Springs - Airline Economic Development District is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

As described in Note 1 to the financial statements, the Greenwell Springs – Airline Economic Development District has adopted the provisions of Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011.

The budgetary comparison information, on page 21 is presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has been compiled from information that is the representation of management. I have not audited or reviewed the supplementary information and accordingly, I do not express an opinion or provide any assurance on such supplementary information.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not a part of the basis financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

I am not independent with respect to Greenwell Springs – Airline Economic Development District.

Basic Financial Statements

GOVERNMENT-WIDE FINANCIAL STATEMENTS

REENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT

**Baton Rouge, Louisiana
STATEMENT OF NET ASSETS
December 31, 2011**

	GOVERNMENTAL ACTIVITIES
ASSETS:	
Cash	\$2,626
Capital assets, net of accumulated depreciation	14,850
Total Assets	<u>17,476</u>
LIABILITIES:	
Accounts Payable	\$0
Total Liabilities	<u>0</u>
NET ASSETS:	
Investment in Capital Assets, net of debt	14,850
Unreserved-Undesignated	2,626
Total Net Assets	<u><u>17,476</u></u>

The accompanying notes and accountant's compilation report.

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
BATON ROUGE, LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

	<u>Program Revenues</u>			<u>Net (Expenses)</u>
		<u>Operating</u>		<u>Revenues and</u>
	<u>Charges for</u>	<u>Grants &</u>	<u>Capital Grants &</u>	<u>(Decreases) in</u>
	<u>Expenses</u>	<u>Services</u>	<u>Contributions</u>	<u>Net Assets</u>
				<u>Governmental</u>
				<u>Activities</u>
GOVERNMENTAL ACTIVITIES				
ECONOMIC DEVELOPMENT				
SUPPORT SERVICES				
Economic Development	\$68,722	\$0	\$82,990	\$0
Total Governmental Activities	68,722	0	82,990	0
				14,268
				14,268
General Revenues:				
Other general revenues				0
Total general revenues and transfers				0
Change in Net Assets				14,268
Net assets-beginning				3,208
Net assets-ending				17,476

The accompanying notes and accountant's compilation report.

FUND FINANCIAL STATEMENTS

GREENWELL SPRINGS-AIRLINE ECONOMIC DEVELOPMENT DISTRICT
BALANCE SHEET
December 31, 2011

ASSETS:

Cash	<u>\$2,626</u>
Total Assets	<u><u>2,626</u></u>

LIABILITIES AND FUND BALANCE:

LIABILITIES:

Accounts Payable	<u>\$0</u>
Total Liabilities	<u><u>0</u></u>

Fund Balance:

Unassigned	<u>2,626</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$2,626</u></u>
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See accompanying notes and accountant's compilation report.

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
Baton Rouge, Louisiana

**Reconciliation of Fund Balances on the Balance Sheet
For Governmental Funds to Net Assets of
Governmental Activities on the Statement of Net Assets
December 31, 2011**

Fund Balances - Total Governmental Funds **\$2,626**

Amounts reported for governmental activities in the
statement of net assets are different because:

Capital assets used in governmental activities are not
financial resources and therefore are not reported in the funds

Add: Capital Assets	16,500
Deduct - Accumulated depreciation	<u>(1,650)</u>
Net adjustments	<u>14,850</u>

Long-term liabilities applicable to governmental activities
are not due and payable in the current period and
accordingly are not reported as fund liabilities. All liabilities,
both current and long-term, are reported in the Statement of Net Assets

Compensated absences	<u>0</u>
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Net Assets of Governmental Activities **17,476**

The accompanying notes are an integral part of this statement.

**GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
BATON ROUGE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	GENERAL FUND
REVENUE	
Intergovernmental	
State of Louisiana	\$82,990
Total Revenue	<u>82,990</u>
EXPENDITURES	
Economic Development	
Current	
Salaries	24,000
Travel	2,817
Operating Services	23,237
Operating Supplies	1,461
Other	0
Professional	15,557
Capital Outlay	<u>16,500</u>
	<u>83,572</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(582)
 Fund Balance, Beginning of Year	 <u>3,208</u>
Fund Balance, End of Year	<u><u>2,626</u></u>

See the accompanying notes and accountant's compilation report.

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
Baton Rouge, Louisiana

**Reconciliation of Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities**

For the Year Ended December 31, 2011

Net Increase (Decrease) in Fund Balances - Total Governmental Funds **(\$582)**

Amounts reported for governmental activities in the
statements of activities are different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense.
This is the amount by which capital outlays exceeded
depreciation expense in the current period.

Add: Capital outlays	16,500
Deduct - depreciation expense	<u>(1,650)</u>
Net Adjustment	<u>14,850</u>

Change in Net Assets of Governmental Activities	<u>14,268</u>
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See the accompanying notes and accountant's compilation report.

Notes to the Financial Statements

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT NOTES TO FINANCIAL STATEMENTS

INTRODUCTION – REPORTING ENTITY

The Greenwell Springs - Airline Economic Development District (District) was created in the parish of East Baton Rouge by ACT No. 98 of the Louisiana State Legislature in 2007. The district shall be a political subdivision of the state created for the purpose of developing the area included within the district in order to provide for substantial economic activity and employment opportunities. The District's governmental powers are exercised through a nine member Board of Commissioners.

The District does not have any component units as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an amendment to GASB 14.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

All individual governmental funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT NOTES TO FINANCIAL STATEMENTS

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

General Fund

General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another funds.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits

The entity's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the entity to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

D. Receivables and Payables

Receivables consist of all revenues earned at year end and not yet received.

**GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS**

E. Inventories and Prepaid Items

All immaterial inventories of the governmental funds are recorded as expenditures when purchased rather than when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., fire hydrants), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Equipment	10 years

G. Fund Equity – Fund Financial Statements

Governmental fund equity is classified as fund balance. Beginning with FY 2011, the Fire District implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used:

Non-spendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures as being non-spendable as this item is not expected to be converted to cash.

Restricted: This classification includes amounts for which constraints have been placed on the use of resources are either:

- A. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws of regulations of other governments; or

**GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS**

B. Imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Fire District. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Fire District did not have any committed resources as of year-end.

Assigned: This classification includes spendable amounts that are reported in governmental funds other than the General Fund, that are neither restricted nor committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement 54. The intent of an assigned fund balance should be expressed by the Fire District that has the authority to assign amounts to be used for specific purposes. The Fire District's management has not assigned any amounts at year-end.

Unassigned: This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund

**GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS**

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION- The District uses the following budget practices:

1. The budgetary calendar – Each year before the beginning of the fiscal year the District prepares and submits a proposed operating budget for the General Fund to the State of Louisiana for approval.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. There are no outstanding encumbrances.
4. The GAAP basis is use in preparing and reporting the budgets and those funds not budgeted.
5. The District will meet time to time to make changes or amendments within the various budget classifications.

3. CASH AND CASH EQUIVALENTS

At December 31, 2011, the District has cash and cash equivalents (book balances) totaling \$2,626 as follows:

Demand Account 2,626

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2011, the District had \$2,626 in deposits (collected bank balances). These deposits are secured from risk by \$2,626of federal deposit insurance.

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT NOTES TO FINANCIAL STATEMENTS

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2011, for the primary government is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated				
Machinery and equipment	-0-	16,500	-0-	16,500
Total capital assets being depreciated	-0-	16,500	-0-	16,500
Less accumulated depreciation for:				
Machinery and equipment	(-0-)	1,650	-0-	(1,650)
Total accumulated depreciation	(-0-)	1,650	-0-	(1,650)
Total capital assets being depreciated, net	-0-	14,850	-0-	14,850

5. COMPENSATION PAID TO BOARD MEMBERS

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

None

6. JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES

There was no litigation pending against the District as of December 31, 2011.

The District's management believes that any potential lawsuits would be covered by insurance or resolved without any material impact upon the District's financial statements.

No claims were paid out or litigation costs incurred during the year ended December 31, 2011.

7. RISK MANAGEMENT

The District is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchase commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage for the prior year. No settlements were made during the year that exceeded the District's coverage.

8. SUBSEQUENT EVENTS

The Organization did not have any subsequent events through May 17, 2012, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended December 31, 2011.

REQUIRED SUPPLEMENTAL INFORMATION

**GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
BATON ROUGE, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Budget Amounts		ACTUAL	Variance with Final Budget
	Original	Final	AMOUNT	Positive (Negative)
REVENUE				
Intergovernmental				
State of Louisiana	\$100,000	\$100,000	\$82,990	(\$17,010)
Total Revenue	100,000	100,000	82,990	(17,010)
EXPENDITURES				
Economic Development				
Current				
Salaries	10,000	18,000	24,000	(6,000)
Travel	5,000	5,000	2,817	2,183
Operating Services	17,500	7,500	23,237	(15,737)
Operating Supplies	2,500	2,500	1,461	1,039
Other	0	0	0	0
Professional	30,000	31,000	15,557	15,443
Capital Outlay	35,000	36,000	16,500	19,500
	100,000	100,000	83,572	16,428
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	0	0	(582)	(582)
 Fund Balance, Beginning of Year	 0	 0	 3,208	 3,207
Fund Balance, End of Year	0	0	2,626	2,625

See the accountant's compilation report.

OTHER REPORTS

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
BATON ROUGE, LOUISIANA
SCHEDULE OF PRIOR YEAR'S FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Re</u> <u>No.</u>	<u>Fiscal Year</u> <u>Finding</u> <u>Initially</u> <u>Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u> <u>(Yes, No, Partially)</u>	<u>Corrective</u> <u>Action</u> <u>Taken</u>
		None		

GREENWELL SPRINGS - AIRLINE ECONOMIC DEVELOPMENT DISTRICT
BATON ROUGE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED DECEMBER 31, 2011

A. Summary of Accountant's Compilation Results

Financial Statements

Type of auditor's report issued: Compilation

- **No material weaknesses identified.**
- **No significant deficiencies identified that are not considered to a material weakness.**

No noncompliance material to financial statements noted.

Federal Awards: Not Applicable

B. Findings – Financial Statement Audit

None

C. Management Letter

The accountant did not issue a management letter this year.